Jose Ramos-Horta warns gas dispute with Australia risk pushing East Timor closer to China

Lateline
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East Timor's former president Jose Ramos-Horta has issued a blunt warning to Australia that the gas dispute between the two countries risks pushing Timor closer to China.

Australia and East Timor have been locked in a messy dispute that has included allegations of Australia spying on its poorer neighbour during negotiations for an oil field in the Timor Sea, worth an estimated $40 billion.

Earlier this year at the UN Conciliation Commission Australia agreed to enter a new round of negotiations.

But Dr Ramos-Horta told Lateline that the legal battle has already cost his country tens of millions of dollars and it risks causing a long-term rift.

"If Timor Leste cannot get a fair deal with this great wealthy democratic friendly country, if Timor Leste cannot get sympathy and support form Japan, the US, obviously there is an alternative," he said.

"The alternative today is always China."

Already, China has built offices for East Timor's foreign affairs department, the defence department and the presidential palace.

The Federal Government's 2016 Defence White Paper spelled out the need for Australia to maintain good relationship: with its neighbours, like Timor.

"We cannot effectively protect Australia if we do not have a secure nearer region, encompassing maritime South East Asia and South Pacific (comprising Papua New Guinea, Timor-Leste and Pacific Island Countries)."

Dr Ramos-Horta said China is the second largest economy in the world and it was East Timor's "sovereign right" to strengthen ties.

"There is an alternative, there's always China, unlike 20 years ago when China was not booming as strong as it is toda